

Call to Order

The meeting was called to order by Mr. Stumpf at 7:03 p.m. in the Third Floor Conference Room A at Town Offices. The meeting was live cablecast.

In attendance were Chairman S. Jon Stumpf, Margaret (Peggy) Kruse, Joanne Marden, Linn Anderson, Bonnie Zahorik, Max Arai, Eugenie (Janie) Moffitt, John Barry and Greg Serrao. Also in attendance was Donna Walsh, Finance Director.

Approval of Minutes**January 14, 2015 Meeting**

Upon motion duly made by Ms. Anderson and seconded by Mr. Arai, it was unanimously voted to approve the above minutes subject to minor changes. Motion passed 9-0.

Electronic Voting for Town Meeting

Mr. Stumpf advised the Committee that due to the unavailability of invited guest speaker, Mr. Mark Spencer, the topic would be taken up at a subsequent meeting.

Information Technology Followup

Mr. Stumpf asked for follow-up questions to the CIO's presentation at the last meeting.

Ms. Zahorik asked for clarification on the use of the cable fund revenue account. Ms. Walsh responded that franchise fees from Verizon and Comcast have historically been earmarked for cable and/or technology use. From the point of view of providers, this represents the best use of these funds and they are therefore motivated to continue contributions.

Discussion ensued about the IT budget and how best to handle the management of a "fleet of computers." Opinions expressed included: a) central management ensures regular repair/replacement on a predictable three-year basis; b) leasing rather than buying supports prior theory; and c) individual departmental operating budget ensures "skin in the game" accountability of purchase and repair.

Mr. Stumpf asked that Ms. Anderson share these thoughts with CIO as well as any others submitted to her by email.

Property Tax Bill Projection Model

Ms. Marden is waiting for TM budget to complete model.

Town Manager's Revised Recommended Capital Improvement Program**SCH-7 - AHS Library/Media Center Renovation**

Ms. Moffitt reported she had toured the 10K square foot concrete-walled "ugly room" that is the library. School Committee Member, Mr. Birnbaum, made a presentation to the Committee summarized as follows. The existing space has not been renovated since 1990's. He noted that the knowledge acquisition learning model has changed to project-based learning, and that this space would be renovated to accommodate that learning environment, reflecting the high school of the future. The space would provide natural lighting, high-speed internet access, and flexible movable dividers.

Mr. Stumpf emphasized the need to know the total fully costed-out project number from start to finish in order to make an informed decision on its financial viability, as well as a clear definition of its benefits vis-à-vis long-term needs. Mr. Birnbach said a full turnkey number, including furnishings, would be provided.

It was also suggested that an update on prior warrant articles vis-à-vis monies spent etc. be included in the Finance Committee Report.

SCH-6 – School Site Improvements

Mr. Stumpf reported that the initial amount of \$3.5M requested for West Elm had been reduced to \$319K for the initial design.

Use of Free Cash

Discussion ensued with regard to the use of the \$1,042M in Free Cash, including the Town Manager's intent to reserve the first 25% for OPEB contribution.

Liaison Updates

Elder Services – Ms. Anderson mentioned the preliminary budget report she had previously emailed to the Committee (see attached).

Retirement – Ms. Marden reported that the Retirement Committee would meet tomorrow morning.

P&F - Ms. Kruse reported that she met with Messrs. Cronin and Fournier. They are seeking to a) combine the two part-time Office Assistant I positions into one full-time position; b) change the title from the existing part-time Sanitarian to a full-time Health Agent and increase hours from 11 to 36.25/week; c) add new custodian part-time 19 hrs/week position to provide late afternoon and evening services to Youth and Senior Centers; d) make the temporary electrician position permanent; and e) replace laborer position in cemetery from contract service to employee; f) increase in engineering costs to comply with federal EPA's new Storm Water Management Program; and g) increase in solid waste recycling. It is anticipated library windows will be replaced within two-year period.

Ballardvale Fire Station – Mr. Barry reported that the Committee would meet on Thursday evening. Three design firms had been consulted with the challenge of preserving the historical element of the building while adding adequate space to accommodate vehicles.

School Dept – Mr. Serrao reported on the status of FTE's for Q1 and Q2. FY2014 Town Meeting approved 849 positions. At the end of Q1 there were 860 FTEs. At the end of Q2 there was a net increase of 2 new FETs.

Mr. Serrao and Ms. Moffitt reported on the status of the SPED out-of-district budget. There was an unanticipated increase in such costs at the end of Q1 of \$582K. At this time, it appears that this will result in a \$316K deficit from the original OOD budget.

There was general discussion about how SPED is funded. The FY2015 OOD budget of \$5.64M was to be funded from two sources: \$3.6M from Town Meeting appropriations and \$2.04M from the circuit breaker fund. Mr. Serrao noted that the special education reimbursement fund (aka circuit breaker, to be used for unanticipated expenses originally appropriated at \$3.6M, had \$1.618M available as of June 30, 2014. \$1.576M in new funds were received from the state. The remaining unencumbered balance is now \$992K.

Mr. Stumpf explained that circuit breaker funds are reimbursed the fiscal year following the expense, and these reserve funds are needed to prevent these overages in out-of-district tuitions from hitting the operating budget. He noted that the state is mandated to report fully on the use of circuit breaker funds in every district and such information is available online. He also noted that there should be discussion about funds being moved out of the special education reimbursement fund. Mr. Serrao noted that with regard to the overall school budget, a \$644K budget surplus is anticipated.

Future Meeting - Next meeting scheduled for Wednesday, February 9 – TM Budget Presentation.

Wednesday, February 11th – Regular Meeting

Adjournment

Upon motion duly made by Mr. Barry and seconded by Ms. Moffitt, it was unanimously voted to adjourn. The motion passed 9-0.

The meeting was adjourned at 9:13 p.m.

Respectfully submitted,

Christine Martin Barraford
Recording Secretary

*Minutes of January 14th Meeting
Town Manager's Revised CIP Budget
Ms. Anderson's Liaison Update on Elder Services*